PRESIDING MEMBERS PROPOSED DECISION

AND COMMITTEE CONFERENCE

BEFORE THE

CALIFORNIA ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION

| In the Matter of: |) | |
|-------------------|---|-----------|
| |) | |
| Application for |) | |
| Certification for |) | Docket No |
| The Palen Solar |) | 09-AFC-7 |
| Power Project |) | |
| |) | |

CALIFORNIA ENERGY COMMISSION

HEARING ROOM A

1516 NINTH STREET

SACRAMENTO, CALIFORNIA

THURSDAY, DECEMBER 2, 2010

1:08 P.M.

TIFFANY C. KRAFT, CSR CERTIFIED SHORTHAND REPORTER LICENSE NUMBER 12277

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APPEARANCES

COMMITTEE MEMBERS PRESENT

Robert Weisenmiller, Presiding Member

Karen Douglas, Associate Member

HEARING OFFICER AND ADVISERS

Raoul Renaud, Hearing Officer

Eileen Allen, Advisor

Galen Lemei, Advisor

STAFF AND CONSULTANTS PRESENT

Alan H. Solomon, Project Manager

Lisa De Carlo, Staff Counsel

Jennifer Jennings, Public Adviser

Susan Lee

Susan Sanders

Willaim Walters

Brian Ye

APPLICANT

Solar Millennium, LLC Scott Galati Alice Harron Michael Cressner iii

APPEARANCES CONTINUED

INTERVENORS

Kevin Emmerich (telephonic) Basin and Range Watch

Lisa Belenky Center for Biological Diversity iv

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1 PROCEEDINGS

- 2 COMMISSIONER WEISENMILLER: Good afternoon. This
- 3 is the hearing for the solar power project.
- 4 I'm the assigned Commissioner, Commissioner
- 5 Weisenmiller. To my left is my advisor, Eileen Allen. To
- 6 my right is the Hearing Officer, Raoul Renaud. And the
- 7 Chair, Karen Douglas is the second member. And her
- 8 advisor, Galen Lemei, isn't here.
- 9 In addition, we have the public advisor here,
- 10 Jennifer Jennings in the back, if any parties here are
- 11 looking for help in participating.
- 12 And at this point, we'll take introductions from
- 13 the parties. Staff?
- 14 MS. DE CARLO: Thank you. Good afternoon. Lisa
- 15 de Carlo, Energy Commission staff counsel. To my left is
- 16 Alan H. Solomon, Energy Commission project manager
- 17 We also have Susan Sanders, our biological
- 18 consultant for Energy Commission staff in the audience in
- 19 case the Committee has any specific questions on biology.
- 20 And we may have some staff on the phone as well.
- 21 COMMISSIONER WEISENMILLER: Applicant?
- 22 MR. GALATI: Scott Galati representing Palen
- 23 Solar I, Solar Millennium.
- 24 MR. CRESSNER: Michael Cressner, Solar
- 25 Millennium.

- 1 MS. HARRON: Alice Harron, Solar Millennium.
- 2 COMMISSIONER WEISENMILLER: On the line -- let me
- 3 turn it back to the Hearing Officer for the parties on the
- 4 line.
- 5 HEARING OFFICER RENAUD: Thank you, Commissioner
- 6 Weisenmiller.
- 7 This is Raoul Renaud, the Hearing Officer.
- 8 We are using our Web Ex teleconference system in
- 9 conjunction with this hearing today, which allows members
- 10 of the public and parties to phone in and participate
- 11 remotely.
- 12 Let me ask first if we have any parties on the
- 13 line. I understand, Ms. Belenky, are you there?
- 14 MS. BELENKY: Yes. This is Lisa Belenky for the
- 15 Center for Biological Diversity.
- 16 It's extremely hard to hear anything anyone is
- 17 saying. There is an incredible amount of static on the
- 18 line.
- 19 HEARING OFFICER RENAUD: Thank you. Our Web Ex
- 20 people are working on that. Please bear with us. We'll
- 21 try to get that cleared up.
- 22 Let's see. Is there any representative from CARE
- 23 on the line?
- 24 Intervenor CARE? No. All right.
- 25 Any representative from intervenor Basin and

- 1 Range Watch?
- MS. CUNNINGHAM: Hello. This is Laura Cunningham
- 3 and Kevin Emmerich.
- And the static is really loud. Can you hear me?
- 5 HEARING OFFICER RENAUD: We can hear you very
- 6 well, thank you. And we are working on the static
- 7 problem. Sorry for the inconvenience.
- 8 And do we have representatives of any government
- 9 agencies on the phone?
- 10 MR. YE: Yes. This is Brian Ye with the South
- 11 Coast Air Quality Management District.
- 12 HEARING OFFICER RENAUD: Thank you, Mr. Ye.
- 13 Anyone else?
- 14 Anyone else who wishes to introduce themselves
- 15 from the telephone lines?
- MS. LEE: Susan Lee, staff for alternatives. I'm
- 17 on the phone.
- 18 HEARING OFFICER RENAUD: Thank you for joining
- 19 us.
- 20 Anyone else?
- 21 MR. WALTERS: William Walters, staff for air
- 22 quality and greenhouse gas.
- 23 HEARING OFFICER RENAUD: Thank you for joining
- 24 us.
- 25 Anyone else?

- 1 All right. Very good. Thank you.
- 2 We also have in the room Jennifer Jennings, our
- 3 Public Advisor. And I believe that completes the
- 4 introductions.
- 5 All right. This is a conference that we call a
- 6 Committee conference, the purpose of which is to discuss
- 7 the Presiding Member's Proposed Decision, which in this
- 8 case was issued on November 12th, 2010.
- 9 Upon issuance of a Presiding Member's Proposed
- 10 Decision, which we call a PMPD, a 30-day public comment
- 11 period begins to run. At the time we issued the PMPD, we
- 12 asked the parties to submit their comments by November 29,
- 13 and that was last Monday. And we received comments from
- 14 the applicant, from staff, and from CBD. And we thank you
- 15 very much for those comments.
- 16 The purpose of today's conference is to discuss
- 17 those comments, to discuss any other matters pertaining to
- 18 the PMPD. And in addition, we notice this as an
- 19 evidentiary hearing for the purpose of taking in some
- 20 cleanup evidence pertaining to air quality, a couple of
- 21 exhibits that we didn't put into the record at the last
- 22 hearing. And since we just received the air district's
- 23 final determination of compliance, which is dated December
- 24 1st, there will be some testimony regarding that as well.
- In addition, yesterday, the Committee issued its

1 recommended or proposed override findings, and those will

- 2 be available for discussion as well.
- I think perhaps the way to proceed is to ask the
- 4 parties first if they all had an opportunity to review the
- 5 comments submitted by the other parties.
- 6 Applicant, have you?
- 7 MR. GALATI: Yes, we have. We're prepared to
- 8 comment.
- 9 HEARING OFFICER RENAUD: Staff.
- MS. DE CARLO: Yes, we have.
- 11 HEARING OFFICER RENAUD: CBD, Ms. Belenky, have
- 12 you had an opportunity to review the comments of the other
- 13 parties?
- 14 MS. BELENKY: I'm sorry. I couldn't tell what
- 15 you were asking.
- 16 HEARING OFFICER RENAUD: The question is have you
- 17 had an opportunity to review the comments submitted by
- 18 staff and applicant pertaining to the PMPD?
- 19 MS. BELENKY: I did have a very short amount of
- 20 time to look at staff's. I have not had an opportunity
- 21 yet to look at the comments submitted by the applicant.
- 22 HEARING OFFICER RENAUD: All right.
- 23 Well, let's begin today by giving each party an
- 24 opportunity to highlight for the Committee anything that's
- 25 set forth in their comments that they'd perhaps like to

1 elaborate on and then also to comment on the comments of

- 2 the others, for example, whether or not you agree with
- 3 someone else's comment or wish to add to it.
- I think we'll begin with the applicant, Mr.
- 5 Galati. Is there anything about the applicant's comments
- 6 you'd like to discuss? And is there anything you wish to
- 7 mention or tell us about the comments of the other
- 8 parties?
- 9 MR. GALATI: With respect to our comments, they
- 10 primarily are catches that we thought were already in the
- 11 record that we wanted some minor changes to. So unless
- 12 the Committee had any questions, I wasn't going to go
- 13 through them. I don't think there is anything remarkable
- 14 about any of them.
- 15 And then with respect to staff's comments, we
- 16 reviewed staff's comments on the PMPD, and we agree with
- 17 them all.
- 18 And then we have reviewed CBD's comments, and we
- 19 disagree with several of those. The primary one that I'd
- 20 like to address you on is the contention that the
- 21 Warren-Alquest Act requires BLM to approve our project
- 22 before the Energy Commission can act. And I think that
- 23 there is an assumption. This is the first comment where
- 24 CBD is referencing Public Resources Code 25527, which when
- 25 you read that section, that section is intending from my

- 1 perspective -- and I think from a legislative
- 2 perspective -- intending to stop projects from building in
- 3 areas that are set aside and protected for the sole
- 4 purpose of wildlife from being approved by the Energy
- 5 Commission, since it has the sole State authority, without
- 6 the agency who's managing or owns that property giving
- 7 approval of that. CBD goes on to say that the Palen
- 8 project is on property like that, and we disagree. The
- 9 project is not within a DWMA. The project is not within
- 10 an ACEC. The project is within a multi-species wildlife
- 11 habitat management area, or a WHMA. That particular
- 12 multi-species wildlife management area allows for multiple
- 13 use development. So it is not an area set aside for the
- 14 sole purpose of wildlife protection. In fact, the only
- 15 management action in that area is to reduce off-road use.
- 16 So that's not the obviously what the Legislature intended.
- 17 And then lastly, they have identified critical
- 18 habitat as somehow also being such wildlife area protected
- 19 for use. We have worked since day one with the agencies,
- 20 and there is a portion of the project that is in critical
- 21 habitat. And as the Committee is aware, we are mitigating
- 22 at a higher ratio for that particular habitat. All the
- 23 agencies, including BLM, have approved that ratio. So we
- 24 do not believe that this section precludes the Energy
- 25 Commission from granting a license until BLM issues a

- 1 right of way.
- 2 And I think that's really the only issue that we
- 3 wanted to address from CBD's comments.
- 4 HEARING OFFICER RENAUD: Thank you.
- 5 Ms. Belenky, would you care to respond to Mr.
- 6 Galati's response to CBD's comments?
- 7 MS. BELENKY: Yes. I'm sorry. I couldn't hear
- 8 every single word, but I think I got the gist of it.
- 9 I think that, if I understand correctly, Mr.
- 10 Galati is reading in a provision that doesn't exist, as
- 11 far as I can see, in the Public Resources Code Section
- 12 25527. It does not say that the areas have been set aside
- 13 exclusively for wildlife protection. That is not -- that
- 14 is not what this statute says. It says areas -- these
- 15 areas, including some areas that -- for example, areas for
- 16 wildlife protection, recreation, historic preservation, or
- 17 natural preservation areas in existence. It does not say
- 18 exclusively.
- 19 Because it is clear that the -- first of all, the
- 20 Center would certainly argue that actually the entire CECA
- 21 is within this. But even putting that aside, because it
- 22 is a California desert conservation area and was clearly
- 23 established in part for conservation for other wildlife
- 24 and other resources. Putting that aside, even if we would
- 25 only say more specific areas, this project clearly is in

1 specific areas that have been identified for public

- 2 protection of wildlife, DWMA, and the project is in the
- 3 WHMA that is for desert tortoise connectivity and the
- 4 project also includes critical habitat.
- 5 So I think all of these areas clearly are areas
- 6 that are for protection and preservation of wildlife and
- 7 other natural resources. And I do not think that the --
- 8 that there's anything in the statute that would exclude
- 9 these areas from this section and requirement.
- 10 So I guess there's pretty much all I can say on
- 11 the phone with all the static. It's a little hard to
- 12 hear.
- 13 HEARING OFFICER RENAUD: Thank you very much for
- 14 that. I think we understand the positions of the
- 15 applicant and CBD on that. And the Commission will take
- 16 those arguments and assertions under advisement.
- 17 Ms. Belenky, I just want to assure you that
- 18 although you may be having a hard time hearing us, we have
- 19 no problem hearing you. You're crystal clear. So rest
- 20 assured at least that you're coming through loud and clear
- 21 on this end. And we are working on clearing up the static
- 22 for listeners.
- MS. BELENKY: Thank you.
- 24 HEARING OFFICER RENAUD: Thank you.
- Okay. Let's move to staff. Anything you would

1 wish to highlight for the Committee regarding staff's

- 2 comments or respond to comments of others?
- 3 MS. DE CARLO: Most of our comments were
- 4 clarifying or correcting the record.
- I do want to call the Committee's attention to
- 6 those areas where we incorporated the FDOC changes that we
- 7 identified from the South Coast Air Quality Management
- 8 district's publication of the FDOC yesterday. We have a
- 9 few comments in our filing on November 29th regarding
- 10 that.
- 11 We also have a supplemental additional staff
- 12 testimony on air quality that we filed on December 1st
- 13 more fully incorporating the FDOC. And those two have
- 14 declarations by Will Walters. And at the appropriate
- 15 time, we would like to enter those into the record, as
- 16 well as the district's final determination of compliance.
- 17 HEARING OFFICER RENAUD: Okay. Well, I think
- 18 this would be a good time to do that, since we're on the
- 19 topic. I have, I believe, two declarations of Mr.
- 20 Walters, one dated yesterday and one dated a couple days
- 21 before that.
- MS. DE CARLO: Yes. November 29th.
- 23 HEARING OFFICER RENAUD: Do you want to enter
- 24 them both?
- MS. DE CARLO: Yes, please.

1 HEARING OFFICER RENAUD: All right. And then we

- 2 have -- let's see supplemental testimony of Mr. Walters,
- 3 two different ones again. You want to enter both of
- 4 those?
- 5 MS. DE CARLO: Yes, please.
- 6 HEARING OFFICER RENAUD: All right.
- 7 MS. DE CARLO: If you want me to explain the
- 8 first supplemental testimony that we entered on November
- 9 129th, that's with regard to the gas tank that the
- 10 applicant is proposing to use. There was some change in
- 11 terms of the sizing. So the applicant's determined to
- 12 only use 250 gallons or less, which brings it outside the
- 13 scope of South Coast regulations. So, therefore, we
- 14 wanted to include a Condition of Certification to ensure
- 15 that it still complied.
- 16 HEARING OFFICER RENAUD: Very good.
- 17 And we've received word from the applicant that
- 18 you have no objection to that revised condition?
- 19 MR. GALATI: That is correct.
- 20 HEARING OFFICER RENAUD: Thank you.
- 21 And then the more recent one?
- MS. DE CARLO: Yeah. The December 1st filing is
- 23 incorporating the changes from the final determination of
- 24 compliance.
- 25 HEARING OFFICER RENAUD: And that did affect a

1 number of the Conditions of Certification. And we will be

- 2 incorporating those into the errata, too, to bring that up
- 3 to date.
- 4 Is there any objection to entering the two
- 5 declarations and the two supplemental testimonies of Mr.
- 6 Walters into evidence?
- 7 MR. GALATI: No objection from the applicant.
- 8 HEARING OFFICER RENAUD: Any objection from CBD?
- 9 MS. BELENKY: I'm sorry. I actually couldn't
- 10 hear everything she was saying as far as the staff moving
- 11 in their exhibits. I couldn't actually discern --
- 12 HEARING OFFICER RENAUD: All right. What it is
- 13 is the two supplemental testimony documents from Mr.
- 14 Walters and the two declarations from Mr. Walters, the
- 15 earlier one dated November 29th pertaining to the gasoline
- 16 storage tank being reduced in size and the second one
- 17 dated December 1st pertaining to the just issued final
- 18 determination of compliance.
- 19 MS. BELENKY: Okay.
- 20 HEARING OFFICER RENAUD: And the motion is to
- 21 enter those into evidence.
- MS. BELENKY: Yes. Thank you. No objection.
- 23 HEARING OFFICER RENAUD: Thank you.
- 24 Any objection from Basin and Range Watch?
- 25 MR. EMMERICH: No objection

1 HEARING OFFICER RENAUD: CARE, have you joined

- 2 us? No.
- 3 All right. So those will be admitted.
- 4 I believe we'll mark them as Exhibit 321. We'll
- 5 make that a group Exhibit 321.
- 6 (Thereupon Exhibit 321 was marked for
- 7 identification and received into evidence by the
- 8 Hearing Officer.)
- 9 HEARING OFFICER RENAUD: We also had reserved
- 10 Exhibit 320 for the FDOC. And we will -- let me just ask
- 11 if anybody objects to that being entered into evidence as
- 12 Exhibit 320.
- MR. GALATI: No objection from the applicant.
- 14 HEARING OFFICER RENAUD: Okay. Staff of course
- 15 not, since you're the sponsor of it.
- 16 CBD, any objection?
- MS. BELENKY: No objection to the FDOC being
- 18 admitted as evidence, no.
- 19 HEARING OFFICER RENAUD: Thank you. And Basin
- 20 and Range Watch?
- 21 MR. EMMERICH: No objection.
- 22 HEARING OFFICER RENAUD: Thank you, very much.
- 23 That will be admitted and marked Exhibit 320.
- 24 (Thereupon Exhibit 320 was marked for
- 25 identification and received into evidence by the

- 1 Hearing Officer.)
- 2 HEARING OFFICER RENAUD: Before we move on from
- 3 that, did any party wish to ask questions of Mr. Walters
- 4 regarding his newly filed testimony in the air quality
- 5 area? Provide that opportunity.
- 6 MR. GALATI: No questions from the applicant.
- 7 HEARING OFFICER RENAUD: All right. Any
- 8 questions from CBD or Basin and Range Watch?
- 9 MS. BELENKY: I'm sorry. I haven't had a chance
- 10 to fully review that document yet, so I don't have any
- 11 questions.
- 12 HEARING OFFICER RENAUD: All right. Thank you.
- 13 Well, there will be an additional opportunity for oral
- 14 comment at the Commission adoption hearing on December
- 15 15th. So if you have any questions that arise between now
- 16 and then, we'll be able to bring those up at that time.
- Okay. Let's see. We also had kind of clean
- 18 up -- well, I am sorry. Let me ask if staff has anything
- 19 further before we move on to other things.
- 20 MS. DE CARLO: With regard to the applicant's
- 21 comments, staff is in agreement, except for their proposed
- 22 change to Bio 18. We don't think that's necessary. We
- 23 think that the condition is fine as it reads now.
- 24 However, if the Committee would like to make that change,
- 25 we wouldn't vociferously object. We just don't think it's

- 1 completely necessary.
- And then with regard to CBD's comments on the
- 3 PMPD, I have Susan Lee available on the phone to address
- 4 the alternatives comments, if the Committee has any
- 5 particular desire to hear staff's response, as well as
- 6 Susan Sanders here to address the biological resources
- 7 comments.
- 8 I would note with regard to the legal argument
- 9 concerning the 25527, we agree with the applicant that
- 10 CBD's interpretation is overbroad and that the statutory
- 11 prohibition does not apply in this case.
- 12 HEARING OFFICER RENAUD: All right. Thank you
- 13 very much.
- 14 The CBD comments regarding alternatives basically
- 15 I'd say largely address the distributed generation
- 16 alternative, and I think the Committee understands those
- 17 arguments pretty well.
- 18 Anybody have any questions of Ms. Lee?
- 19 No. Okay. Thank you though for bringing her and
- 20 making her available for us.
- 21 Let's see here. Now, as far as the static is
- 22 concerned, I understand we have an opportunity here to
- 23 clear that up if we can mute all the mikes. So that would
- 24 be these five up here. So parties on the phone, people on
- 25 the phone, just stand by. We're going to try to clear up

1 the static for you. Hold on. Everybody make sure their

- 2 mike is off.
- 3 (Thereupon there was a pause in the proceedings.)
- 4 HEARING OFFICER RENAUD: All right. We're back.
- 5 Everybody you can use your mike again.
- 6 Ms. Belenky, is that better?
- 7 MS. BELENKY: Yes. The terrible static seems to
- 8 be gone. The sound quality is not very good, but the
- 9 static seems to be gone.
- 10 HEARING OFFICER RENAUD: Thank you very much.
- 11 There is at least one caller who is rustling papers. And
- 12 I understand you need to rustle papers, but if you could
- 13 perhaps move it away from your phone, we would appreciate
- 14 that.
- 15 Let's see where we were. Okay. Staff, is there
- 16 anything further you wish to add on any topic?
- MS. DE CARLO: No. Nothing. But, again, Susan
- 18 Sanders is available if you had any questions on CBD's
- 19 arguments with regards to biological resources.
- 20 HEARING OFFICER RENAUD: Okay. Let's turn to CBD
- 21 and ask if CBD has anything to speak to the Committee
- 22 about regarding your own comments or the comments of
- 23 others.
- MS. BELENKY: Well, like I said, I haven't had a
- 25 chance to read through all of the comments of the

1 applicant. We did read the -- I did read through the

- 2 comments from staff briefly.
- 3 As far as -- I mean, I'm not sure what I can add
- 4 about the statutory requirement. I do not think our
- 5 interpretation is overbroad. If anything, it is narrow.
- 6 The Committee -- the Commission has, you know -- and
- 7 staff, in particular, have raised the issue of site
- 8 control in many other of these matters. And in here, we
- 9 think there is clearly no ability to show site control at
- 10 this stage. So I don't see how the Commission can go
- 11 forward with approval. And more than that, because of the
- 12 statutory requirements for areas that are set aside for
- 13 wildlife and other natural preservation, I just -- we
- 14 don't know how that Commission can go forward at this
- 15 time.
- And we would be happy to provide additional
- 17 briefing on those questions. The Committee did not ask
- 18 for any briefing, and so it has not been fully briefed.
- 19 We can certainly provide additional briefing on these
- 20 questions. And particularly what is the status of these
- 21 lands under federal law, which I am not sure is here,
- 22 to -- perhaps is not clear to all of the parties and to
- 23 the Committee.
- 24 So that would be -- and other than that, I think
- 25 they've been pretty fully briefed, the issues on the

1 alternatives. The Center did want to move into evidence

- 2 the two additional exhibits which were provided.
- 3 HEARING OFFICER RENAUD: Yes, 669 and 670. Is
- 4 there any objection from any party regarding these two
- 5 exhibits?
- 6 MR. GALATI: No objection from the applicant.
- 7 MS. DE CARLO: No objection from staff.
- 8 HEARING OFFICER RENAUD: Thank you.
- 9 Basin and Range Watch, any objection?
- Basin and Range Watch, are you there?
- 11 MS. CUNNINGHAM: Basin and Range Watch, no
- 12 objections.
- 13 HEARING OFFICER RENAUD: Thank you.
- 14 Those be will be admitted, Exhibits 669 and 670.
- 15 Those were docketed under CEC docket number
- 16 58927.
- 17 (Thereupon Exhibits 669 and 670 were received
- into evidence by the Hearing Officer.)
- 19 HEARING OFFICER RENAUD: While we're admitting
- 20 evidence into the record, we have noted admitting --
- 21 making the formal gesture of admitting applicant's opening
- 22 testimony and air quality soil and water resources docket
- 23 number 58794. Do you still wish to move those into
- 24 evidence?
- MR. GALATI: Yes, I do. That's marked as Exhibit

1 65. I apologize I didn't move that into evidence at the

- 2 last hearing.
- 3 HEARING OFFICER RENAUD: All right. Is there any
- 4 objection?
- 5 MS. DE CARLO: No objection from staff.
- 6 HEARING OFFICER RENAUD: Any objection from CBD?
- 7 MS. BELENKY: No objection -- on the air quality,
- 8 is that right?
- 9 HEARING OFFICER RENAUD: Right. Applicant's
- 10 opening testimony on air quality and soil and water
- 11 resources.
- MS. BELENKY: Right. That's fine.
- 13 HEARING OFFICER RENAUD: Thank you.
- 14 Basin and Range Watch?
- MS. CUNNINGHAM: No objection.
- 16 HEARING OFFICER RENAUD: All right. Thank you.
- 17 (Thereupon Exhibit 65 was received
- into evidence by the Hearing Officer.)
- 19 HEARING OFFICER RENAUD: Good. Let's turn now to
- 20 you, Basin and Range Watch, while we've got you. Do you
- 21 wish to comment on any of the parties' comments? You
- 22 didn't submit written comments, but if you'd like to
- 23 comment on any of the other parties' comments, this would
- 24 be the time to do that.
- MS. CUNNINGHAM: We don't have any comments.

- 1 Thank you.
- 2 HEARING OFFICER RENAUD: All right. Now, a
- 3 question that came to mind for the Committee in reviewing
- 4 these comments was CBD's concern that -- let me back up
- 5 and state, first of all, that the PMPD proposes to approve
- 6 two alternative sites: Reconfigured alternative two and
- 7 reconfigured alternative number three. CBD states in
- 8 their comments that that impermissibly cedes discretionary
- 9 authority from the Commission to the applicant. And in
- 10 reading that, we didn't see any legal authority for the
- 11 argument. But I wondered if we could ask CBD, is there
- 12 legal background for authority for that assertion?
- MS. BELENKY: You know, I was in a rush.
- 14 There is actually quite a bit of authority for
- 15 the fact that agencies cannot cede their discretion.
- I have not had time to do that briefing on this
- 17 very short time scale. And, again, the Committee did not
- 18 ask for any briefing. I would be happy to provide a
- 19 briefing on that question.
- 20 HEARING OFFICER RENAUD: All right. Applicant,
- 21 would you wish to comment on that?
- 22 MR. GALATI: Yes. There is quite a bit of
- 23 authority on an agency ceding its authority and
- 24 jurisdiction. That's not what we have here. So for a
- 25 factual perspective, the Energy Commission has evaluated

- 1 fully two projects.
- 2 Let me put this into context. Basically, one
- 3 project -- we can draw a footprint around both projects
- 4 and we can develop within that footprint. That's
- 5 basically what's being approved. The Energy Commission
- 6 has -- and so has the environmental groups a very strong
- 7 preference of using private land when possible. And so in
- 8 an effort to mitigate and minimize impacts to the sand
- 9 transport corridor as we move closer and closer to this
- 10 piece of private property, we thought if we were able to
- 11 acquire that piece of private property that would further
- 12 be a configuration that might be acceptable.
- 13 And so far, all of the agencies, including BLM,
- 14 have agreed that's an appropriate way to go. It
- 15 accomplishes a very strong environmental goal. And as
- 16 long as all the impacts are identified for both, we think
- 17 that you can. You're not ceding your authority. You're
- 18 actually granting approval to build either one of the
- 19 projects, which both have been fully evaluated and both
- 20 are fully mitigated. And your findings and findings of
- 21 override are for both.
- 22 Let's just make it really clear; we can only
- 23 build one of those two. We will not build both. And
- 24 that's what your decision says. And we think you can.
- I think the confusion is from a NEPA perspective

1 when something is identified as an alternative and the

- 2 agency needs to select a preferred alternative that that
- 3 preferred alternative at some point in time -- another
- 4 alternative what we need to do to do another alternative
- 5 that wasn't preferred. That's a completely different
- 6 scenario, and we believe you have the full authority to do
- 7 that.
- 8 HEARING OFFICER RENAUD: Thank you.
- 9 Staff, you wish to comment on that?
- 10 MS. DE CARLO: I agree with Mr. Galati. The
- 11 Energy Commission's evaluated the environmental impacts of
- 12 both alternatives, has made findings with regards to both
- 13 alternatives, has made findings with regard to the LORS
- 14 compliance with both alternatives. And I think it is
- 15 within the discretion of the Energy Commission to approve
- 16 either alternative. We have done so in the past with
- 17 regard to linears. I don't see why a site-specific
- 18 approach similarly wouldn't be as acceptable.
- 19 HEARING OFFICER RENAUD: Thank you.
- 20 CBD, any response to that?
- 21 I think Mr. Galati identified what the real
- 22 question is, and it's more of a factual question than a
- 23 legal one. It's in what way does this approval of two
- 24 alternatives within the same footprint constitute a ceding
- 25 of authority.

1 MS. BELENKY: I would like to respond to several

- 2 things that were stated. First of all, Mr. Galati does
- 3 not speak for the environmental group, and he certainly
- 4 does not speak for the Center for Biological Diversity.
- 5 We do not have a preference for building on
- 6 private land. We have a preference for building on lands
- 7 that are previously disturbed. That is not what we're
- 8 talking about necessarily here. And in any case, that is
- 9 not what this issue is about.
- This issue is about a more compact footprint.
- 11 And if they can achieve purchasing or an occupational,
- 12 whatever, to use that land, they will have a more compact
- 13 footprint. And that is better apparently for the company.
- 14 And that's fine. And we generally think more compact may
- 15 be a good thing. That's not the issue.
- 16 The issue is that the -- here is that we feel the
- 17 alternatives have not been fully evaluated. We agree to
- 18 the extent that this evaluation has been adequate, which
- 19 we do not concede, then they have both been fully
- 20 evaluated.
- 21 The question is can the Commission approve two
- 22 different projects and allow the project proponent to
- 23 choose later after the approval which one it will build.
- 24 And we do not think that is allowable.
- 25 If it is framed differently as within this larger

1 footprint you can either move this piece over here or move

- 2 this piece over there, that is a different question. And
- 3 I don't think that's how it has been framed.
- 4 Now, it may be possible to approve something
- 5 called the alternative two/three that would have some
- 6 amount of ability to change. But that change still needs
- 7 to be approved by the Commission. It has to be the
- 8 Commission that approves the project. And the project can
- 9 only be one thing.
- 10 HEARING OFFICER RENAUD: All right. Thank you.
- 11 I think we understand your position, and we thank
- 12 applicant and staff for their discussion on that.
- 13 Basin and Range Watch, would you care to weigh in
- 14 on this at all?
- MS. CUNNINGHAM: Yeah. Laura Cunningham.
- We actually agree with Center for Biological
- 17 Diversity. And we think that the Energy Commission is
- 18 giving two choices after approval short changes the public
- 19 from seeing what the actual project will look like because
- 20 there's still two choices. So we disagree that that
- 21 should be approved. There should be a final alternative
- 22 decision.
- 23 HEARING OFFICER RENAUD: Okay. Thank you.
- CARE, have you joined us? CARE? No. All right.
- I just want to make sure I gave all the parties

- 1 an opportunity to comment on this issue.
- Is there anything else any party wishes to raise
- 3 before the Committee at this Committee conference on the
- 4 PMPD? I'm not hearing anyone. All right.
- 5 The next steps in our procedure are as follows.
- 6 The Committee will take stock of the comments made by the
- 7 parties and public and incorporate those into the document
- 8 which we call an errata. The errata is a document that
- 9 basically makes changes to the PMPD. And if the PMPD and
- 10 errata are adopted by the full Commission, then those
- 11 changes are incorporated into the document which becomes
- 12 the final decision. The items in an errata generally are
- 13 not -- should not be substantive to the point that they
- 14 effect the outcome. Typically, they are clarification,
- 15 elaborations or corrections. And that's what we hope to
- 16 accomplish in this errata.
- 17 The public comment period is still open. It's
- 18 open until December 13th. And, of course, the Committee
- 19 welcomes and encourages comments to continue to be sent
- 20 in. If necessary, we will incorporate those into a second
- 21 errata, because we're hoping it is time to issue an errata
- 22 based on what we have so far in the next couple of days to
- 23 give the parties ample time to review and become familiar
- 24 with it.
- I see from my magic screen here that Dale from

1 the Riverside County Fire Department has joined us. You

- 2 did submit a letter in response to the PMPD. And we thank
- 3 you for that. Is there anything you wish to say to us?
- 4 UNIDENTIFIED SPEAKER: No, other than it's
- 5 extremely hard to hear you. Thank you for asking.
- 6 HEARING OFFICER RENAUD: All right. Thank you.
- 7 Good.
- 8 And we would now take public comment. Is there
- 9 anyone from the public in the room who would care to make
- 10 a comment? Apparently not.
- 11 Is there anyone on the phone who would care to
- 12 comment to the Committee today?
- 13 All right. Any closing comments or questions
- 14 from Committee members?
- Mr. Weisenmiller.
- MR. WEISENMILLER: I'd like to thank everyone for
- 17 their participation today. Obviously apologize for our
- 18 audio/visual system and hope in the future we can have it
- 19 set up to facilitate public involvement more readily. And
- 20 certainly appreciate everyone's patience and efforts to
- 21 try to help us to develop a complete record today.
- 22 HEARING OFFICER RENAUD: Okay. Thank you.
- 23 Commissioner Douglas.
- 24 COMMISSIONER DOUGLAS: Like to thank everybody
- 25 for hanging in with us on the phone.

| 1 | HEARING OFFICER RENAUD: Good. Well, I think |
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| 2 | that unless anybody has thought of anything they wish |
| 3 | to add at this point, we'll adjourn this Committee |
| 4 | conference. Thank you for your participation. |
| 5 | (Thereupon the hearing adjourned at 1:48 p.m.) |
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| Τ | CERTIFICATE OF REPORTER |
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| 2 | I, TIFFANY C. KRAFT, a Certified Shorthand |
| 3 | Reporter of the State of California, and Registered |
| 4 | Professional Reporter, do hereby certify: |
| 5 | That I am a disinterested person herein; that the |
| 6 | foregoing hearing was reported in shorthand by me, |
| 7 | Tiffany C. Kraft, a Certified Shorthand Reporter of the |
| 8 | State of California, and thereafter transcribed into |
| 9 | typewriting. |
| 10 | I further certify that I am not of counsel or |
| 11 | attorney for any of the parties to said hearing nor in any |
| 12 | way interested in the outcome of said hearing. |
| 13 | IN WITNESS WHEREOF, I have hereunto set my hand |
| 14 | this 6th day of December, 2010. |
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